

2013 Switzerland County Property Tax Report with Comparison to 2012

Legislative Services Agency

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This report describes property tax changes in Switzerland County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Switzerland County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	2.5%	\$5,812,693	\$478,552,115	0.3%
Change		1.8%	-4.7%	
2012	-1.1%	\$5,709,153	\$502,068,064	0.2%

Comparable Homestead Property Tax Changes in Switzerland County

The total tax bill for all taxpayers in Switzerland County increased by 2.5% in 2013. The main reason was a 1.8% increase in the total property tax levy. In this reassessment year, certified net assessed value fell by 4.7%. Switzerland County's very low tax rates meant that few taxpayers qualified for tax cap credits.

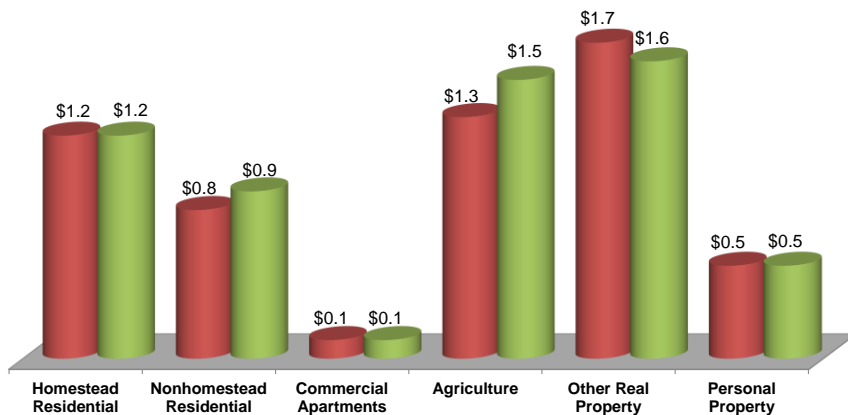
Switzerland County homeowners experienced a 4.9% increase in property tax bills in 2013. This was due to an increase in property tax rates. Homestead net assessed value changed very little. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	1,682	66.7%
No Change	51	2.0%
Lower Tax Bill	789	31.3%
Average Change in Tax Bill	4.9%	
Detailed Change in Tax Bill		
20% or More	493	19.5%
10% to 19%	484	19.2%
1% to 9%	705	28.0%
-1% to 1%	51	2.0%
-1% to -9%	367	14.6%
-10% to -19%	172	6.8%
-20% or More	250	9.9%
Total	2,522	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)

■ 2012 - Total \$5.6 ■ 2013 - Total \$5.8



In Switzerland County most net property taxes were paid by business (other real and personal) and agriculture property owners in 2013. Total net property taxes increased 2.5%, slightly more than the average 2.1% increase statewide. Agriculture saw the largest increase, while business real property was the only sector that had decreased net taxes.

Property tax rates increased in all eight Switzerland County tax districts in 2013. The average tax rate rose by 6.8% because of a small levy increase and a decrease in certified net assessed value. Statewide, the average tax rate increased by 4.2%.

The total levies of all government units in Switzerland County increased by 1.8%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Switzerland County are included in a later table.

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$271,065,833	\$272,975,408	0.7%	\$102,108,824	\$101,689,194	-0.4%
Other Residential	71,690,626	70,290,900	-2.0%	71,343,756	69,934,130	-2.0%
Ag Business/Land	128,359,601	131,129,201	2.2%	125,699,529	128,874,899	2.5%
Business Real/Personal	210,234,630	187,437,087	-10.8%	197,968,935	176,820,362	-10.7%
Total	\$681,350,690	\$661,832,596	-2.9%	\$497,121,044	\$477,318,585	-4.0%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Switzerland County's total billed net assessed value decreased by 4.0% in 2013. Declines in business real and personal property assessments were the main reason. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$2,850	\$318	-\$2,532	-88.9%
2%	0	0	0	0.0%
3%	0	0	0	0.0%
Elderly	9,358	15,127	5,768	61.6%
Total	\$12,208	\$15,444	\$3,236	26.5%
% of Levy	0.2%	0.3%		

Total tax cap credits in Switzerland County were \$15,444, which was only 0.3% of the levy. This was one of the smallest percentages in Indiana. It was much less than the state average of 10.9%, and less than the median or typical county percentage of 4.2%. Tax rates were the main determinant of tax

cap credits. Switzerland County's average tax rate was much less than the median rate statewide. Almost all of Switzerland County's tax cap credits were in the elderly category, which limits homestead property tax increases to 2% per year for some homeowners 65 years of age or older. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Switzerland County increased \$3,236 between 2012 and 2013. Credits as a share of the total levy rose to 0.3% in 2013 from 0.2% in 2012.

Switzerland County Levy Comparison by Taxing Unit

Taxing Unit	2009	2010	2011	2012	2013	% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
<i>County Total</i>	5,434,736	5,498,258	5,557,518	5,709,153	5,812,693	1.2%	1.1%	2.7%	1.8%
Switzerland County	1,846,307	1,913,415	1,959,215	2,026,849	2,076,437	3.6%	2.4%	3.5%	2.4%
Cotton Township	21,713	22,511	23,050	23,829	24,518	3.7%	2.4%	3.4%	2.9%
Craig Township	19,398	20,234	20,747	21,383	22,026	4.3%	2.5%	3.1%	3.0%
Jefferson Township	40,251	42,118	43,168	44,543	45,788	4.6%	2.5%	3.2%	2.8%
Pleasant Township	20,519	21,282	21,797	22,510	23,176	3.7%	2.4%	3.3%	3.0%
Posey Township	20,228	21,104	21,649	22,313	22,926	4.3%	2.6%	3.1%	2.7%
York Township	39,797	41,197	36,729	41,923	43,920	3.5%	-10.8%	14.1%	4.8%
Patriot Civil Town	6,857	7,316	7,508	7,743	7,961	6.7%	2.6%	3.1%	2.8%
Vevay Civil Town	266,626	286,094	285,032	302,898	311,408	7.3%	-0.4%	6.3%	2.8%
Switzerland County School Corp	2,950,175	2,912,808	2,919,188	2,965,717	3,002,436	-1.3%	0.2%	1.6%	1.2%
Switzerland County Public Library	152,965	158,678	162,613	167,691	172,757	3.7%	2.5%	3.1%	3.0%
Southeastern Indiana Solid Waste Mgmt Dist	49,900	51,501	56,822	61,754	59,340	3.2%	10.3%	8.7%	-3.9%

Switzerland County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
78001	Cotton Township	1.1492	--	--	--	--	--	--	1.1492
78002	Craig Township	1.1649	--	--	--	--	--	--	1.1649
78003	Jefferson Township	1.1573	--	--	--	--	--	--	1.1573
78004	Vevay Town	1.8041	--	--	--	--	--	--	1.8041
78005	Pleasant Township	1.1527	--	--	--	--	--	--	1.1527
78006	Posey Township	1.1479	--	--	--	--	--	--	1.1479
78007	Patriot Town	1.3196	--	--	--	--	--	--	1.3196
78008	York Township	1.1374	--	--	--	--	--	--	1.1374

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Switzerland County 2013 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	318	0	0	15,127	15,444	5,812,693	0.3%
<i>TIF Total</i>	0	0	0	0	0	0	
<i>County Total</i>	318	0	0	15,127	15,444	5,812,693	0.3%
Switzerland County	105	0	0	5,021	5,126	2,076,437	0.2%
Cotton Township	0	0	0	88	88	24,518	0.4%
Craig Township	0	0	0	76	76	22,026	0.3%
Jefferson Township	4	0	0	194	198	45,788	0.4%
Pleasant Township	5	0	0	37	42	23,176	0.2%
Posey Township	2	0	0	68	70	22,926	0.3%
York Township	0	0	0	22	22	43,920	0.1%
Patriot Civil Town	0	0	0	68	68	7,961	0.9%
Vevay Civil Town	39	0	0	1,731	1,770	311,408	0.6%
Switzerland County School Corp	152	0	0	7,260	7,412	3,002,436	0.2%
Switzerland County Public Library	9	0	0	418	426	172,757	0.2%
Southeastern Indiana Solid Waste Mgmt Dist	3	0	0	143	146	59,340	0.2%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.